

1 STATE OF OKLAHOMA

2 2nd Session of the 58th Legislature (2022)

3 HOUSE BILL 3926

By: Pfeiffer

4
5
6 AS INTRODUCED

7 An Act relating to revenue and taxation; amending 68
8 O.S. 2021, Section 2884, which relates to payment of
9 ad valorem taxes; modifying county treasurer
reporting requirements; and providing an effective
date.

10
11
12 BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:

13 SECTION 1. AMENDATORY 68 O.S. 2021, Section 2884, is
14 amended to read as follows:

15 Section 2884. A. The full amount of the taxes assessed against
16 the property of any taxpayer who has appealed from a decision
17 affecting the value or taxable status of such property as provided
18 by law shall be paid at the time and in the manner provided by law.
19 If at the time such taxes or any part thereof become delinquent and
20 any such appeal is pending, it shall abate and be dismissed upon a
21 showing that the taxes have not been paid.

22 B. When such taxes are paid, or by December 31, whichever is
23 earlier, the persons protesting the taxes shall give notice to the
24 county treasurer that an appeal involving such taxes has been taken

1 and is pending, and shall set forth the total amount of tax that has
2 been paid under protest or required by law to be paid prior to April
3 1 that will be paid under protest. The notice shall be on a form
4 prescribed by the Tax Commission. If taxes are paid in two equal
5 installments and the amount paid under protest does not exceed fifty
6 percent (50%) of the full amount of assessed taxes, all protested
7 taxes shall be specified in the second installment payment. If such
8 amount does exceed fifty percent (50%) of the full amount of
9 assessed taxes, then the portion of protested taxes that exceeds
10 fifty percent (50%) of the full amount of assessed taxes shall be
11 specified in the first installment payment and the entire second
12 installment shall be specified to be paid under protest. The
13 taxpayer shall attach to such notice a copy of the petition filed in
14 the court or other appellate body in which the appeal was taken.
15 For railroads, air carriers, and public service corporations, the
16 amount of taxes protested shall not exceed the amount of tax
17 calculated on the protested assessed valuation specified in the
18 complaint filed pursuant to the provisions of subsection A of
19 Section 2881 of this title.

20 C. It shall be the duty of the county treasurer to hold taxes
21 paid under protest separate and apart from other taxes collected.
22 Any portion of such taxes not paid under protest shall be
23 apportioned as provided by law. Except as otherwise provided for in
24 this subsection, the treasurer shall invest the protested taxes in

1 the same manner as the treasurer invests surplus tax funds not paid
2 under protest, but shall select an interest-bearing investment
3 medium which will permit prompt refund or apportionment of the
4 protested taxes upon final determination of the appeal. In cases
5 where the amount of the protested ad valorem taxes by a taxpayer is
6 in excess of Fifteen Thousand Dollars (\$15,000.00), the taxpayer may
7 elect to choose the type of investment and where the investment of
8 the protested funds will be deposited as long as the investment is
9 of a type authorized for the county, the depository institution
10 qualifies as a county depository, and the depository institution is
11 located in the applicable county.

12 D. 1. ~~Prior to January 31 of each year, the~~ The county
13 treasurer shall determine the amount of ad valorem taxes paid under
14 protest ~~and those ad valorem taxes that will be paid under protest~~
15 ~~pursuant to subsection B of this section.~~ The county treasurer
16 shall then notify the State Auditor and Inspector of the total
17 amount of paid protested ad valorem taxes ~~and anticipated protested~~
18 ~~ad valorem taxes, the total amount of protested taxes and~~
19 ~~anticipated protested taxes by each individual taxpayer,~~ and how
20 such paid protested ad valorem taxes ~~and anticipated protested ad~~
21 ~~valorem taxes~~ would have been apportioned to each school district
22 and technology center school district by fund had such amount of
23 protested ad valorem taxes not been protested.

24

1 2. The State Auditor and Inspector shall compile all of the
2 information submitted by the county treasurers in a format which
3 shall set forth the total amount of paid ~~and anticipated protested~~
4 taxes for each school district and technology center school district
5 by fund ~~and a total for each school district and technology center~~
6 ~~school district by fund~~. This information shall then be submitted
7 by the State Auditor and Inspector to the State Superintendent of
8 Public Instruction, the Director of the Oklahoma Department of
9 Career and Technology Education, the Speaker of the House of
10 Representatives, and the President Pro Tempore of the Senate. If
11 any of the information submitted to the State Auditor and Inspector
12 changes after being submitted, the county treasurer shall notify the
13 State Auditor and Inspector and the State Auditor and Inspector
14 shall submit revised information to the parties enumerated in this
15 paragraph within thirty (30) days of such change.

16 3. Within ten (10) days of the release of the escrowed ad
17 valorem taxes by the county treasurer, as required by subsection E
18 of this section, the county treasurer shall submit a schedule
19 showing the disposition of the released funds, separated by fund for
20 each school district and technology center school, to the State
21 Auditor and Inspector. The State Auditor and Inspector shall
22 certify the apportionment schedule and transmit a copy to the State
23 Superintendent of Public Instruction and the Director of the
24 Oklahoma Department of Career and Technology Education.

1 4. The State Auditor and Inspector shall promulgate any
2 necessary rules to implement the provisions of this subsection.

3 E. 1. In cases involving taxpayers other than railroads, air
4 carriers, or public service corporations, if upon the final
5 determination of any such appeal, the court shall find that the
6 property was assessed at too great an amount, the board of
7 equalization from whose order the appeal was taken shall certify the
8 corrected valuation of the property of such taxpayers to the county
9 assessor, in accordance with the decision of the court, and shall
10 send a copy of such certificate to the county treasurer. Upon
11 receipt of the corrected certificate of valuation, the county
12 assessor shall compute and certify to the county treasurer the
13 correct amount of taxes payable by the taxpayer. The difference
14 between the amount paid and the correct amount payable, with accrued
15 interest, shall be refunded by the treasurer to the taxpayer upon
16 the taxpayer filing a proper verified claim therefor, and the
17 remainder paid under protest, with accrued interest, shall be
18 apportioned as provided by law.

19 2. If upon the final determination of any appeal, the court
20 shall find that the property of the railroad, air carrier, or public
21 service corporation was assessed at too great an amount, the State
22 Board of Equalization from whose order the appeal was taken shall
23 certify the corrected valuation of the property of the railroads,
24 air carriers, and public service corporations to the State Auditor

1 and Inspector in accordance with the decision of the court. Upon
2 receipt of the corrected certificate of valuation, the State Auditor
3 and Inspector shall certify to the county treasurer the correct
4 valuation of the railroad, air carrier, or public service
5 corporation and shall send a copy of the certificate to the county
6 assessor, who shall make the correction as specified in Section 2871
7 of this title. The difference between the amount paid and the
8 correct amount payable with accrued interest shall be refunded by
9 the treasurer upon the taxpayer filing a proper verified claim, and
10 the remainder paid under protest with accrued interest shall be
11 apportioned according to law.

12 F. If an appeal is upon a question of valuation of the
13 property, then the amount paid under protest by reason of the
14 question of valuation being appealed shall be limited to the amount
15 of taxes assessed against the property for the year in question less
16 the amount of taxes which would be payable by the taxpayer for that
17 year if the valuation of the property asserted by the taxpayer in
18 the appeal were determined by the court to be correct. If an appeal
19 is timely filed by a taxpayer pursuant to subsection A of Section
20 2880.1 of this title, the amount of taxes payable by the taxpayer
21 shall not exceed the amount based upon the value originally
22 submitted by the assessor to the county board of equalization. If
23 an appeal is timely filed by the county assessor pursuant to
24 subsection A of Section 2880.1 of this title, the amount of taxes

1 payable by the taxpayer shall not exceed the amount of taxes based
2 upon the value assessed by the county assessor and submitted to the
3 board of equalization.

4 G. If an appeal is upon a question of assessment of the
5 property, then the amount paid under protest by reason of the
6 question of assessment being appealed shall be limited to the amount
7 of taxes assessed against the property for the year in question less
8 the amount of taxes which would be payable by the taxpayer for that
9 year if the assessment of the property asserted by the taxpayer in
10 the appeal was determined by the court to be correct.

11 SECTION 2. This act shall become effective November 1, 2022.

12 58-2-9969 AQH 01/07/22
13
14
15
16
17
18
19
20
21
22
23
24